

## Message Text

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43

ACTION EUR-12

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UNCLAS TORONTO 1428

E.O. 11652 N/A

TAGS: OVIP(PIERRE ELLIOTT TRUDEAU),CA

SUBJ: PRESS REACTION TO TRUDEAU VISIT

THE TORONTO STAR, TORONTO'S ONLY AFTERNOON DAILY WITH HALF  
MILLION CIRCULATION, CARRIED FOLLOWING FEATURE EDITORIAL  
IN TODAY'S EDITION:

QUOTE UNCLE SAM WON'T SPANK CANADA--NOT YET, ANYWAY--  
FOR OUR NAUGHTINESS ABOUT OIL.

THAT'S THE GIST OF WHAT PRIME MINISTER PIERRE TRUDEAU TOLD  
A PRESS CONFERENCE YESTERDAY AFTER MEETING PRESIDENT GERALD  
FORD. ALTHOUGH THE PRESIDENT WAS "CONCERNED" ABOUT CANADA'S  
PLANNED PHASE-OUT OF OIL EXPORTS TO THE UNIGED STATES,  
TRUDEAU SAID, HE WASN'T TRYING TO PRESSURE CANADA TO  
RECONSIDER.

IF OUR PRIME MINISTER WASN R EMBARRASSED WHILE HE WAS  
EXPLAINING CANADA'S OIL POLICY TO THE PRESIDENT, HE SHOULD  
HAVE BEEN. FOR THAT POLICY IS NOT ONLY FECKLESS ABOUT OUR OWN  
FUTURE NEEDS BUT UTTERLY GRACELESS TOWARD OUR GOOD NEIGHBOR.  
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FOR NEARLY 20 YEARS, WHEN OUR OIL WAS ABOVE THE WORLD PRICE, WE PLEADED WITH THE AMERICANS TO BUY MORE OF IT, AS A SPECIAL FAVOR TO US. THEY AGREED, ON THE UNDERSTANDING THAT IT WAS A SECURE SUPPLY, MORE SECURE THAN THEIR OVERSEAS SOURCES.

THEN, WHEN THE NATIONAL ENERGY BOARD REPORTED THAT OUR OIL RESERVES WERE MUCH SMALLER THAN HAD BEEN SUPPOSED, WE TURNED RIGHT AROUND AND ANNOUNCED THAT EXPORTS TO THE U.S. WOULD BE GRADUALLY REDUCED TO ZERO WITHIN SIX OR SEVEN YEARS.

THE U. S. WAS GIVEN ONE DAY'S NOTICE OF THIS TURNABOUT. WE TREAT BANANA REPUBLICS WITH MORE COURTESY THAN THAT.

GRANTED, ALL NATIONS PUT THEIR OWN INTERESTS FIRST. BUT THE TRUDEAU GOVERNMENT, BY AVOIDING DOMESTIC CONSERVATION OF OIL, ISN'T EVEN PURSUING THAT GOAL INTELLIGENTLY. IF THE PHASE-OUT AFTER PROPER NOTICE, HAD BEEN ACCOMPANIED BY A MODEST MEASURE TO SAVE OIL IN CANADA--SUCH AS THE 55-MILE HIGHWAY SPEED LIMIT THE U. S. APPLIED--THEN WASHINGTON WOULDN'T HAVE HAD MUCH OF A GRIEVANCE.

WITHOUT THAT, WE IN EFFECT SAID TO THE AMERICANS: WE'LL HAVE TO CUT YOU OFF SO THAT WE CAN GO ON SQUANDERING OIL.

OTTAWA UNSECURED THE SUPPLY AFTER REFINERIES WERE SET UP IN THE AMERICAN MIDWEST WITH NO OTHER PIPELINES INTO THEM THAN THOSE FROM CANADA. THE U.S. COULD RETALIATE BY DISTURBING THE SECURITY OF PART OF OUR OIL SUPPLY--SPECIFICALLY, AS SOME SENATORS HAVE URGED, BY DIVERTING IMPORTED OIL FROM THE MAINE-MONTREAL PIPELINE. OR IT COULD RAISE THE PRICE BY SLAPPING A TRANSIT TAX ON THIS OIL. TRUDEAU POOH-POOHS THESE POSSIBILITIES.

THE WHOLE EPISODE HIGHLIGHTS A BAD HABIT WE HAVE GOT INTO IN OUR DEALINGS WITH THE U.S. WE THINK NOTHING OF ASKING FOR SPECIAL FAVORS AND EXEMPTIONS FROM U.S. POLICIES THAT WOULD OTHERWISE INJURE CANADA--AND USUALLY GET THEM. BUT WHEN WE DO SOMETHING INJURIOUS TO THE U. S. WE DON'T EVEN THINK IT NECESSARY TO BE POLITE ABOUT IT. WE ASSUME THAT THE U.S. IS SO BIG AND STRONG, RELATIVE TO ANYTHING CANADA MAY DO, THAT IT WILL SCARCELY NOTICE.

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FRIENDSHIP ASIDE, THIS IS A FOOLHARDY WAY TO TREAT A COUNTRY THAT COULD DEVASTATE US ECONOMICALLY IF IT FELT ITSELF PROVOKED INTO A TRADE WAR.

THAT EVIDENTLY ISN'T ABOUT TO HAPPEN, THANKS TO AMERICAN FORBEARANCE. IF GERALD FORD NEVER SAID A CROSS WORD IN DISCUSSING OIL WITH TRUDEAU, HE'S AN EVEN NICER FELLOW THAN HE IS GENERALLY

REPUTED TO BE. END QUOTE  
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